PROPERTY CODE

TITLE 5. EXEMPT PROPERTY AND LIENS

SUBTITLE B. LIENS

CHAPTER 70. MISCELLANEOUS LIENS

SUBCHAPTER A. POSSESSORY LIENS

Sec. 70.001. WORKER'S LIEN. (a) A worker in this state who by labor repairs an article, including a vehicle, motorboat, vessel, or outboard motor, may retain possession of the article until:

- (1) the amount due under the contract for the repairs is paid; or
- (2) if no amount is specified by contract, the reasonable and usual compensation is paid.
- (b) If a worker relinquishes possession of a motor vehicle, motorboat, vessel, or outboard motor in return for a check, money order, or a credit card transaction on which payment is stopped, has been dishonored because of insufficient funds, no funds or because the drawer or maker of the order or the credit card holder has no account or the account upon which it was drawn or the credit card account has been closed, the lien provided by this section continues to exist and the worker is entitled to possession of the vehicle, motorboat, vessel, or outboard motor until the amount due is paid, unless the vehicle, motorboat, vessel, or outboard motor is possessed by a person who became a bona fide purchaser of the vehicle after a stop payment order was made. A person entitled to possession of property under this subsection is entitled to take possession thereof in accordance with the provisions of Section 9.609, Business & Commerce Code.
- (b-1) Except as provided by Subsection (b), a lien provided by this section on a motor vehicle, motorboat, vessel, or outboard motor is released when a worker:
- (1) receives good and sufficient payment of the amounts due under Subsection (a) and, if applicable, Subsection (d); or
 - (2) relinquishes possession of the motor vehicle,

motorboat, vessel, or outboard motor.

- (b-2) A worker's right to possession under this section may not be assigned to a third party in return for payment of any amount due under Subsection (a) or (d).
- (c) A worker may take possession of an article under Subsection (b) only if the person obligated under the repair contract has signed a notice stating that the article may be subject to repossession under this section. A notice under this subsection must be:
 - (1) separate from the written repair contract; or
- (2) printed on the written repair contract, credit agreement, or other document in type that is boldfaced, capitalized, underlined, or otherwise set out from surrounding written material so as to be conspicuous with a separate signature line.
- (d) A worker who takes possession of an article under Subsection (b) may require a person obligated under the repair contract to pay the costs of repossession as a condition of reclaiming the article only to the extent of the reasonable fair market value of the services required to take possession of the article. For the purpose of this subsection, charges represent the fair market value of the services required to take possession of an article if the charges represent the actual cost incurred by the worker in taking possession of the article.
- (e) A worker may not transfer to a third party, and a person who performs repossession services may not accept, a check, money order, or credit card transaction that is received as payment for repair of an article and that is returned to the worker because of insufficient funds or no funds, because the drawer or maker of the check or money order or the credit card holder has no account, or because the account on which the check or money order is drawn or the credit card account has been closed.
- (f) A person commits an offense if the person transfers or accepts a check, money order, or credit card transaction in violation of Subsection (e). An offense under this subsection is a Class B misdemeanor.
 - (g) A motor vehicle that is repossessed under this section

shall be promptly delivered to the location where the repair was performed or a vehicle storage facility licensed under Chapter 2303, Occupations Code. The motor vehicle must remain at the repair location or a licensed vehicle storage facility at all times until the motor vehicle is lawfully returned to the motor vehicle's owner or a lienholder or is disposed of as provided by this subchapter.

Acts 1983, 68th Leg., p. 3579, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 18, Sec. 6(b), eff. Oct. 2, 1984; Acts 1985, 69th Leg., ch. 275, Sec. 1, eff. June 5, 1985; Acts 1993, 73rd Leg., ch. 754, Sec. 1, 2, eff. Sept. 1, 1993; Acts 1995, 74th Leg., ch. 375, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 414, Sec. 2.38, eff. July 1, 2001; Acts 1999, 76th Leg., ch. 978, Sec. 1, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.807, eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1058 (H.B. 2076), Sec. 1, eff. June 19, 2015.

- Sec. 70.002. LIENS ON GARMENTS. A person with whom a garment is left for repair, alteration, dyeing, cleaning, laundering, or pressing may retain possession of the garment until:
- $\hbox{ (1)} \quad \hbox{the amount due the person under the contract for } \\ \hbox{the work is paid; or } \\$
- (2) if no amount is specified by contract, the reasonable and usual compensation is paid.

Acts 1983, 68th Leg., p. 3580, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Sec. 70.003. STABLE KEEPER'S, GARAGEMAN'S, PASTURER'S, AND COTTON GINNER'S LIEN'S. (a) A stable keeper with whom an animal is left for care has a lien on the animal for the amount of the charges for the care.

- (b) An owner or lessee of a pasture with whom an animal is left for grazing has a lien on the animal for the amount of charges for the grazing.
- (c) A garageman with whom a motor vehicle, motorboat, vessel, or outboard motor is left for care has a lien on the motor

vehicle, motorboat, vessel, or outboard motor for the amount of the charges for the care, including reasonable charges for towing the motor vehicle, motorboat, vessel, or outboard motor to the garageman's place of business and excluding charges for repairs.

- (d)(1) A cotton ginner to whom a cotton crop has been delivered for processing or who, under an agreement, is to be paid for harvesting a cotton crop has a lien on the cotton processed or harvested for the amount of the charges for the processing or harvesting. The lienholder is entitled to retain possession of the cotton until the amount of the charge due under an agreement is paid or, if an amount is not specified by agreement, the reasonable and usual compensation is paid. If the cotton owner's address is known and the amount of the charge is not paid before the 31st day after the date the cotton ginner's work is completed or the date payment is due under a written agreement, whichever is later, the lienholder shall request the owner to pay the unpaid charge due and shall notify the owner and any other person having a lien on the cotton which is properly recorded under applicable law with the secretary of state of the fact that unless payment is made not later than the 15th day after the date the notice is received, the lienholder is entitled to sell the cotton under any procedure authorized by Section 9.610, Business & Commerce Code. cotton owner's address is not known and the amount of the charge is not paid before the 61st day after the date the cotton ginner's work is completed or the date payment is due under a written agreement, whichever is later, the lienholder is entitled to sell the cotton without notice at a commercially reasonable sale. The proceeds of a sale under this subsection shall be applied first to charges due under this subsection, and any remainder shall be paid in appropriate proportion to:
- (A) any other person having a lien on the cotton which is properly recorded under applicable law with the secretary of state; and
 - (B) the cotton owner.
- (2) Nothing in this subsection shall be construed to place an affirmative burden on the cotton ginner to perform any lien searches except as may be appropriate to provide notices required

by this section.

Acts 1983, 68th Leg., p. 3580, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1989, 71st Leg., ch. 629, Sec. 1, eff. June 14, 1989; Acts 1997, 75th Leg., ch. 462, Sec. 1, 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 414, Sec. 2.39, eff. July 1, 2001. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 80 (S.B. 543), Sec. 1, eff. September 1, 2009.

Sec. 70.004. POSSESSION OF MOTOR VEHICLE, MOTORBOAT, VESSEL, OR OUTBOARD MOTOR. (a) A holder of a lien under Section 70.003 on a motor vehicle, motorboat, vessel, or outboard motor who obtains possession of the motor vehicle, motorboat, vessel, or outboard motor under a state law or city ordinance shall give notice for a motor vehicle, motorboat, vessel, or outboard motor registered in this state to the last known registered owner and each lienholder of record not later than the fifth day after the day possession is obtained. If the motor vehicle, motorboat, vessel, or outboard motor is registered outside this state, the notice shall be given to the last known registered owner and each lienholder of record not later than the 14th day after the day possession is obtained.

- (b) Except as provided by Subsection (c), the notice must be sent by certified mail with return receipt requested and must contain:
- (1) a request to remove the motor vehicle, motorboat, vessel, or outboard motor;
 - (2) a request for payment;
- (3) the location of the motor vehicle, motorboat, vessel, or outboard motor; and
 - (4) the amount of accrued charges.
- (c) The notice may be given by publishing the notice once in a newspaper of general circulation in the county in which the motor vehicle, motorboat, vessel, or outboard motor is stored if:
- (1) the motor vehicle, motorboat, vessel, or outboard motor is registered in another state;
 - (2) the holder of the lien submits a written request by

certified mail, return receipt requested, to the governmental entity with which the motor vehicle, motorboat, vessel, or outboard motor is registered requesting information relating to the identity of the last known registered owner and any lienholder of record;

- (3) the holder of the lien:
- (A) is advised in writing by the governmental entity with which the motor vehicle, motorboat, vessel, or outboard motor is registered that the entity is unwilling or unable to provide information on the last known registered owner or any lienholder of record; or
- (B) does not receive a response from the governmental entity with which the motor vehicle, motorboat, vessel, or outboard motor is registered on or before the 21st day after the date the holder of the lien submits a request under Subdivision (2);
- (4) the identity of the last known registered owner cannot be determined;
- (5) the registration does not contain an address for the last known registered owner; and
- (6) the holder of the lien cannot determine the identities and addresses of the lienholders of record.
- (d) The holder of the lien is not required to publish notice under Subsection (c) if a correctly addressed notice is sent with sufficient postage under Subsection (b) and is returned as unclaimed or refused or with a notation that the addressee is unknown or has moved without leaving a forwarding address.
- (e) A person is entitled to fees for towing, impoundment, preservation, and notification and to reasonable storage fees for up to five days before the day that the notice is mailed or published, as applicable. After the day that the notice is mailed or published, the person is entitled to reasonable storage, impoundment, and preservation fees until the motor vehicle, motorboat, vessel, or outboard motor is removed and accrued charges are paid.
- (f) A person charging fees under Subsection (e) commits an offense if the person charges a storage fee for a period of time not authorized by that subsection. An offense under this subsection is

punishable by a fine of not less than \$200 nor more than \$1,000.

Acts 1983, 68th Leg., p. 3580, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 18, Sec. 6(c), eff.

Oct. 2, 1984; Acts 1985, 69th Leg., ch. 308, Sec. 1, eff. Sept. 1,

1985; Acts 1989, 71st Leg., ch. 629, Sec. 2, eff. June 14, 1989;

Acts 1999, 76th Leg., ch. 70, Sec. 2, eff. Sept. 1, 1999.

Sec. 70.005. SALE OF PROPERTY. (a) Except as provided by Subsection (c), a person holding a lien under this subchapter on property other than a motor vehicle subject to Chapter 501, Transportation Code, or cotton under Section 70.003(d), who retains possession of the property for 60 days after the day that the charges accrue shall request the owner to pay the unpaid charges due if the owner's residence is in this state and known. If the charges are not paid before the 11th day after the day of the request, the lienholder may, after 20 days' notice, sell the property at a public sale, or if the lien is on a garment, at a public or private sale.

- (b) Except as provided by Subsection (c), if the residence of the owner of property subject to sale under this section is not in this state or not known, the lienholder may sell the property without notice at a public sale after the 60th day after the day that the unpaid charges accrued.
- (c) A person holding a lien under Section 70.003(a) on an animal fed in confinement for slaughter may enforce that lien in any manner authorized by Sections 9.610-9.619, Business & Commerce Code.
- (d) The lienholder shall apply the proceeds of a sale under this section to the charges. If the lien is on a garment, the lienholder shall apply the proceeds to the charges and the reasonable costs of holding the sale. The lienholder shall pay excess proceeds to the person entitled to them.

Acts 1983, 68th Leg., p. 3581, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 30.247, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 249, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 462, Sec. 3, 4, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 414, Sec. 2.40, eff. July 1, 2001.

The following section was amended by the 87th Legislature. Pending publication of the current statutes, see H.B. 2879, 87th Legislature, Regular Session, for amendments affecting the following section.

Sec. 70.006. SALE OR DISPOSAL OF MOTOR VEHICLE, MOTORBOAT, VESSEL, OR OUTBOARD MOTOR. (a) A holder of a lien under this a motor vehicle subject to Chapter 501, subchapter on Transportation Code, or on a motorboat, vessel, or outboard motor for which a certificate of title is required under Subchapter B, Chapter 31, Parks and Wildlife Code, as amended, who retains possession of the motor vehicle, motorboat, vessel, or outboard motor shall give written notice to the owner and each holder of a lien recorded on the certificate of title. Not later than the 30th day after the date on which the charges accrue, a holder of a possessory lien on a motor vehicle under Section 70.001, other than a person licensed as a franchised dealer under Chapter 2301, Occupations Code, shall file a copy of the notice and all information required by this section with the county tax assessor-collector's office in the county in which the repairs were made with an administrative fee of \$25 payable to the county tax assessor-collector. If the motor vehicle, motorboat, vessel, or outboard motor is registered outside this state, the holder of a lien under this subchapter who retains possession during that period shall give notice to the last known registered owner and each lienholder of record.

- (b) Except as provided by Subsection (c), the notice must be sent by certified mail with return receipt requested and must include the amount of the charges and a request for payment.
- (b-1) A holder of a possessory lien on a motor vehicle under Section 70.001, other than a person licensed as a franchised dealer under Chapter 2301, Occupations Code, who is required to give notice to a lienholder of record under this section must include in the notice:
- (1) the physical address of the real property at which the repairs to the motor vehicle were made;
- (2) the legal name of the person that holds the possessory lien for which the notice is required;

- (3) the taxpayer identification number or employer identification number, as applicable, of the person that holds the possessory lien for which the notice is required; and
- (4) a signed copy of the work order authorizing the repairs on the motor vehicle.
- (b-2) If the holder of a possessory lien required to give notice in accordance with Subsection (b-1) does not comply with that subsection, a lien recorded on the certificate of title of the motor vehicle is superior to the possessory lienholder's lien.
- (b-3) A person commits an offense if the person knowingly provides false or misleading information in a notice required by this section. An offense under this subsection is a Class B misdemeanor.
- (c) The notice may be given by publishing the notice once in a newspaper of general circulation in the county in which the motor vehicle, motorboat, vessel, or outboard motor is stored if:
- (1) the holder of the lien submits a written request by certified mail, return receipt requested, to the governmental entity with which the motor vehicle, motorboat, vessel, or outboard motor is registered requesting information relating to the identity of the last known registered owner and any lienholder of record;
 - (2) the holder of the lien:
- (A) is advised in writing by the governmental entity with which the motor vehicle, motorboat, vessel, or outboard motor is registered that the entity is unwilling or unable to provide information on the last known registered owner or any lienholder of record; or
- (B) does not receive a response from the governmental entity with which the motor vehicle, motorboat, vessel, or outboard motor is registered on or before the 21st day after the date the holder of the lien submits a request under Subdivision (1);
- (3) the identity of the last known registered owner cannot be determined;
- (4) the registration does not contain an address for the last known registered owner; and
 - (5) the holder of the lien cannot determine the

identities and addresses of the lienholders of record.

- (d) The holder of the lien is not required to publish notice under Subsection (c) if a correctly addressed notice is sent with sufficient postage under Subsection (b) and is returned as unclaimed or refused or with a notation that the addressee is unknown or has moved without leaving a forwarding address.
- (e) After notice is given under this section to the owner of or the holder of a lien on the motor vehicle, motorboat, vessel, or outboard motor, the owner or holder of the lien may obtain possession of the motor vehicle, motorboat, vessel, or outboard motor by paying all charges due to the holder of a lien under this subchapter before the 31st day after the date a copy of the notice is filed with the county tax assessor-collector's office.
- (f) If the charges are not paid before the 31st day after the date that a copy of the notice required by Subsection (a) is filed with the county tax assessor-collector's office, the lienholder may sell the motor vehicle, motorboat, vessel, or outboard motor at a public sale and apply the proceeds to the charges. The lienholder shall pay excess proceeds to the person entitled to them. The public sale may not take place before the 31st day after the date a copy of the notice is filed with the county tax assessor-collector's office.
- (f-1) If the charges are not paid before the 31st day after the date that a copy of the notice required by Subsection (a) is filed with the county tax assessor-collector's office and the property that is the subject of the notice is a motor vehicle, the lienholder may, in lieu of selling the vehicle under Subsection (f), dispose of the vehicle in accordance with Subchapter D, Chapter 683, Transportation Code, if the lienholder determines that:
- (1) the vehicle's only residual value is as a source of parts or scrap metal; or
- (2) it is not economical to dispose of the vehicle at a public sale.
- (f-2) If the lienholder disposes of the property under Subsection (f-1), the lienholder shall apply the fair market value of the motor vehicle to the charges due to the lienholder.

- (g) After providing notice in accordance with this section, a holder of a possessory lien on a motor vehicle under Section 70.001, other than a person licensed as a franchised dealer under Chapter 2301, Occupations Code, shall, on request, allow an owner and each lienholder of record to inspect or arrange an inspection of the motor vehicle by a qualified professional to verify that the repairs were made. The inspection must be completed before the date of the public sale authorized by Subsection (f).
- (h) Not later than the 15th business day after the date the county tax assessor-collector receives notice under this section, the county tax assessor-collector shall provide a copy of the notice that indicates the date the notice was filed with the county tax assessor-collector to the owner of the motor vehicle and each holder of a lien recorded on the certificate of title of the motor vehicle. Except as provided by this subsection, the county tax assessor-collector shall provide the notice required by this section in the same manner as a holder of a lien is required to provide a notice under this section, except that the county tax assessor-collector is not required to use certified mail. Notice under this section is required regardless of the date on which the charges on which the possessory lien is based accrued.

Acts 1983, 68th Leg., p. 3581, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 18, Sec. 6(d), eff. Oct. 2, 1984; Acts 1997, 75th Leg., ch. 165, Sec. 30.248, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 70, Sec. 3, eff. Sept. 1, 1999.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 80 (S.B. 543), Sec. 2, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 405 (S.B. 690), Sec. 7, eff. January 1, 2012.

Acts 2011, 82nd Leg., R.S., Ch. 1204 (S.B. 266), Sec. 1, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1058 (H.B. 2076), Sec. 2, eff. September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 1061 (H.B. 3131), Sec. 5, eff. September 1, 2017.

Acts 2017, 85th Leg., R.S., Ch. 1061 (H.B. 3131), Sec. 6, eff. September 1, 2017.

Sec. 70.007. UNCLAIMED EXCESS. (a) If a person entitled to excess proceeds under this subchapter is not known or has moved from this state or the county in which the lien accrued, the person holding the excess shall pay it to the county treasurer of the county in which the lien accrued. The treasurer shall issue the person a receipt for the payment.

(b) If the person entitled to the excess does not claim it before two years after the day it is paid to the treasurer, the excess becomes a part of the county's general fund.

Acts 1983, 68th Leg., p. 3582, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Sec. 70.008. ATTORNEY'S FEES. The court in a suit concerning possession of a motor vehicle, motorboat, vessel, or outboard motor and a debt due on it may award reasonable attorney's fees to the prevailing party.

Acts 1983, 68th Leg., p. 3582, ch. 576, Sec. 1, eff. Jan. 1, 1984. Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 18, Sec. 6(e), eff. Oct. 2, 1984.

Sec. 70.009. PLASTIC FABRICATOR LIENS. (a) A plastic fabricator has a lien on any die, mold, form, or pattern in his possession that belongs to a customer for the amount due from the customer for plastic fabrication work performed with the die, mold, form, or pattern. The plastic fabricator may retain possession of the die, mold, form, or pattern until the amount due is paid.

(b) In this section:

- (1) "Customer" means a person who contracts with or causes a plastic fabricator to use a die, mold, form, or pattern to manufacture, assemble, or otherwise make a plastic product or products.
- (2) "Plastic fabricator" means a person, including a tool or die maker, who manufactures or causes to be manufactured, or who assembles or improves, a die, form, mold, or pattern for a customer, or who uses or contracts to use a die, mold, form, or

pattern to manufacture, assemble, or otherwise make a plastic product or products for a customer.

Added by Acts 1985, 69th Leg., ch. 357, Sec. 1, eff. Sept. 1, 1985.

Sec. 70.010. LIENS FOR VETERINARY CARE CHARGES FOR LARGE ANIMALS. (a) In this section, "large animal" means exotic livestock or a cow, horse, mule, ass, sheep, goat, llama, alpaca, farm elk, or hog. The term does not include a common household pet such as a cat or dog.

- (b) A veterinarian licensed under Chapter 801, Occupations Code, has a lien on a large animal and the proceeds from the disposition of the large animal to secure the cost of veterinary care the veterinarian provided to the large animal.
 - (c) A lien under this section:
- (1) attaches on the 20th day after the date the veterinarian first provides care to the large animal;
- (2) attaches regardless of whether the veterinarian retains possession of the large animal;
- (3) takes priority over all other liens on the large animal for the period during which the veterinarian retains possession of the large animal, regardless of whether the lien under this section was created or perfected after the date on which another lien was created or perfected, if the veterinarian retains possession; and
- (4) has the priority with respect to other liens as provided by Subchapter C, Chapter 9, Business & Commerce Code, if the veterinarian does not retain possession.
- (d) The veterinarian may retain possession of a large animal under this section and enforce a lien under this section as provided by Section 70.005(c).
- (e) A veterinarian who does not retain possession of a large animal under this section may enforce a lien under this section in the same manner as a statutory residential landlord's lien.

 Added by Acts 2009, 81st Leg., R.S., Ch. 1387 (S.B. 1806), Sec. 1,

eff. September 1, 2009.

SUBCHAPTER B. LIENS ON VESSELS

Sec. 70.101. GENERAL LIEN ON VESSELS. A person who furnishes supplies or materials or who performs repairs or labor for or on account of a domestic vessel that is owned in whole or part in this state has a lien for the person's charges.

Acts 1983, 68th Leg., p. 3582, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Sec. 70.102. LIEN OF NAVIGATION DISTRICT OR PORT. (a) A navigation district or port within the territorial limits of this state that furnishes supplies or materials, performs repairs or labor, or provides a facility or service for which charges are specified in its official published port tariff for or on account of a domestic vessel that is owned in whole or part in this state has a maritime lien for the amount of its charges.

(b) A lien under this section may be enforced in rem. A plaintiff in an action to enforce the lien need not allege or prove that credit was given to the vessel.

Acts 1983, 68th Leg., p. 3582, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Sec. 70.103. PROPERTY SUBJECT TO LIEN. A lien under this subchapter attaches to the vessel and its tackle, apparel, furniture, and freight money.

Acts 1983, 68th Leg., p. 3583, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Sec. 70.104. PERSONS WHO MAY BIND VESSEL. (a) The following persons are presumed to be authorized by the owner of a vessel to incur charges that give rise to a lien under this subchapter:

- (1) the managing owner;
- (2) the ship's husband;
- (3) the master;
- (4) the local agent; and
- (5) a person entrusted with management of the vessel at the port of supply.
- (b) A person tortiously or unlawfully in possession or charge of a vessel may not bind the vessel.

Acts 1983, 68th Leg., p. 3583, ch. 576, Sec. 1, eff. Jan. 1, 1984.

SUBCHAPTER C. STOCK BREEDER'S LIEN

Sec. 70.201. STOCK BREEDER'S LIEN. An owner or keeper of a stallion, jack, bull, or boar confined to be bred for profit has a preference lien on the offspring of the animal for the amount of the charges for the breeding services, unless the owner or keeper misrepresents the animal by false pedigree.

Acts 1983, 68th Leg., p. 3583, ch. 576, Sec. 1, eff. Jan. 1, 1984.

Sec. 70.202. ENFORCEMENT OF LIEN. The lien may be enforced in the same manner as a statutory landlord's lien. The lien remains in force for 10 months from the day that the offspring is born, but the lien may not be enforced until five months after the date of birth of the offspring.

Acts 1983, 68th Leg., p. 3583, ch. 576, Sec. 1, eff. Jan. 1, 1984.

SUBCHAPTER D. AIRCRAFT REPAIR AND MAINTENANCE LIEN

- Sec. 70.301. LIEN. (a) A person who stores, fuels, repairs, or performs maintenance work on an aircraft has a lien on the aircraft for:
- (1) the amount due under a contract for the storage, fuel, repairs, or maintenance work; or
- (2) if no amount is specified by contract, the reasonable and usual compensation for the storage, fuel, repairs, or maintenance work.
- (b) This subchapter applies to a contract for storage only if it is:
 - (1) written; or
- (2) oral and provides for a storage period of at least30 days.

Added by Acts 1989, 71st Leg., ch. 250, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 946, Sec. 1, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1171, Sec. 1, eff. Sept. 1, 2001.

Sec. 70.302. POSSESSION. (a) A holder of a lien under this

subchapter may retain possession of the aircraft subject to the lien until the amount due is paid.

- (b) Except as provided by Subsection (c), if the holder of a lien under this subchapter relinquishes possession of the aircraft before the amount due is paid, the person may retake possession of the aircraft as provided by Section 9.609, Business & Commerce Code.
- (c) The holder of a lien under this subchapter may not retake possession of the aircraft from a bona fide purchaser for value who purchases the aircraft without knowledge of the lien before the date the lien is recorded under Section 70.303.

 Added by Acts 1989, 71st Leg., ch. 250, Sec. 1, eff. Sept. 1, 1989.

 Amended by Acts 1999, 76th Leg., ch. 414, Sec. 2.41, eff. July 1,

2001.

Sec. 70.303. RECORDING OF LIEN: AIRCRAFT REGISTERED IN UNITED STATES. A holder of a lien under this subchapter may record the lien on the aircraft by filing with the Federal Aviation Administration Aircraft Registry not later than the 180th day after the date of the completion of the contractual storage period or the performance of the last repair or maintenance a verified document in the form and manner required by applicable federal laws and regulations that states:

- (1) the name, address, and telephone number of the holder of the lien under this subchapter;
- (2) the amount due for storage, fuel, repairs, or maintenance;
 - (3) a complete description of the aircraft; and
- (4) the name and address of the owner of the aircraft and the number assigned the aircraft by the Federal Aviation Administration, if known.

Added by Acts 1989, 71st Leg., ch. 250, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 946, Sec. 1, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1171, Sec. 2, eff. Sept. 1, 2001. Amended by:

Acts 2005, 79th Leg., Ch. 677 (S.B. 149), Sec. 1, eff. June 17, 2005.

- Sec. 70.3031. RECORDING OF LIEN: AIRCRAFT NOT REGISTERED IN UNITED STATES. (a) A holder of a lien under this subchapter on an aircraft that is registered in a nation other than the United States or that is not registered in any national jurisdiction may record the lien on the aircraft by filing with the secretary of state not later than the 180th day after the date of the completion of the contractual storage period or the performance of the last repair, fueling, or maintenance an affidavit that states:
- (1) the name, address, and telephone number of the holder of the lien under this subchapter;
- (2) the amount due for storage, repairs, fuel, or maintenance;
 - (3) a complete description of the aircraft; and
- (4) the name and last known address of the owner of the aircraft and the number assigned the aircraft by the applicable jurisdiction, if known.
- (b) An inaccurate address stated under Subsection (a)(4) does not invalidate the affidavit.
- (c) The secretary of state shall maintain a record of information filed with the secretary of state under this section and index the records in the name of the owner of the aircraft.
- (d) The fee for filing information with the secretary of state under this section is:
- (1) \$15 if the information is communicated in writing and consists of one or two pages;
- (2) \$30 if the information is communicated in writing and consists of more than two pages; and
- (3) \$5 if the information is communicated by another medium authorized by the secretary of state by rule.

 Added by Acts 2005, 79th Leg., Ch. 677 (S.B. 149), Sec. 2, eff. June 17, 2005.
- Sec. 70.304. NOTICE TO OWNER AND LIENHOLDERS. (a) Not later than the 60th day after the date of the completion of the contractual storage period or the performance of the last fueling, repair, or maintenance, a holder of a lien under this subchapter who

retains possession of the aircraft shall notify the owner shown on the certificate of registration and each holder of a lien on the aircraft as shown by the records maintained for that purpose by the Federal Aviation Administration Aircraft Registry or the secretary of state. The notice must state:

- (1) the name, address, and telephone number of the holder of the lien under this subchapter;
- (2) the amount due for storage, fuel, repairs, or maintenance;
 - (3) a complete description of the aircraft; and
- (4) the legal right of the holder of the lien under this subchapter to sell the aircraft at public auction and apply the proceeds to the amount due.
- (b) The notice must be delivered by certified or registered mail, return receipt requested.

Added by Acts 1989, 71st Leg., ch. 250, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 538, Sec. 1, eff. June 15, 1991; Acts 1995, 74th Leg., ch. 946, Sec. 1, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1171, Sec. 3, eff. Sept. 1, 2001. Amended by:

Acts 2005, 79th Leg., Ch. 677 (S.B. 149), Sec. 3, eff. June 17, 2005.

Sec. 70.305. SALE OF AIRCRAFT. If the holder of a lien under this subchapter provides the notice required by Section 70.304 and the amount due remains unpaid after the 90th day after the date of the completion of the contractual storage period or the performance of the last fueling, repair, or maintenance, the holder of the lien may sell the aircraft at a public sale and apply the proceeds to the amount due. The lienholder shall pay any excess proceeds to the person entitled to them.

Added by Acts 1989, 71st Leg., ch. 250, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1995, 74th Leg., ch. 946, Sec. 1, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1171, Sec. 4, eff. Sept. 1, 2001. Amended by:

Acts 2005, 79th Leg., Ch. 677 (S.B. 149), Sec. 4, eff. June 17, 2005.

Sec. 70.306. ATTORNEY'S FEES. The court in a suit brought under this subchapter may award reasonable attorney's fees to the prevailing party.

Added by Acts 1989, 71st Leg., ch. 250, Sec. 1, eff. Sept. 1, 1989.

- Sec. 70.307. CRIMINAL OFFENSE: IMPROPERLY OBTAINING POSSESSION OF AIRCRAFT SUBJECT TO LIEN. (a) A person commits an offense if the person, through surreptitious removal or by trick, fraud, or device perpetrated on the holder of the lien, obtains possession of all or part of an aircraft that is subject to a lien under this subchapter.
 - (b) An offense under this section is a Class B misdemeanor.
- (c) If conduct that constitutes an offense under this section also constitutes an offense under any other law, the actor may be prosecuted under this section or the other law.

Added by Acts 2005, 79th Leg., Ch. 677 (S.B. 149), Sec. 5, eff. June 17, 2005.

SUBCHAPTER E. AGRICULTURAL LIENS

Sec. 70.401. DEFINITIONS. In this subchapter:

- (1) "Agricultural crop" means a plant product that is grown, produced, or harvested as a result of an agricultural producer's farm operation.
- (2) "Agricultural producer" means a person who is engaged in the business of growing, producing, or harvesting an agricultural crop.
- (3) "Buyer in ordinary course of business" has the meaning assigned by Section 1.201, Business & Commerce Code.
 - (4) "Company-owned crop" means an agricultural crop:
- (A) that is in the possession of a warehouse or contract purchaser located in this state and for which the agricultural producer has received full payment;
 - (B) that is not an open storage crop; or
- (C) for which the warehouse or the contract purchaser tenders payment and the agricultural producer, without

coercion, defers payment.

- (5) "Contract purchaser" means a person who has agreed under a contract to purchase an agricultural crop or otherwise pay the agricultural producer for growing, producing, or harvesting the agricultural crop. The term includes a person who, as to the transaction in question, is licensed and bonded under Chapter 14, Agriculture Code, or the United States Warehouse Act (7 U.S.C. Section 241 et seq.).
- (6) "Open storage crop" means an agricultural crop that:
- (A) an agricultural producer delivers or transfers to:
 - (i) a warehouse for storage; or
- (ii) a contract purchaser located in this state;
 - (B) is not covered by a warehouse receipt; and
- (C) is not owned by the lessee, owner, or operator of the warehouse in which the crop is stored or the contract purchaser to which the crop is delivered or transferred.
 - (7) "Secured lender" means a person that:
- (A) has loaned money to a warehouse or a contract purchaser; and
- (B) holds a perfected secured lien against a company-owned crop.
- (8) "Warehouse" means a facility that stores or handles any agricultural crop after the crop is harvested, including a facility operated by a person who, as to the transaction in question, is licensed and bonded under Chapter 14, Agriculture Code, or the United States Warehouse Act (7 U.S.C. Section 241 et seq.). The term includes a person engaged in the business of operating a warehouse.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001. Amended by:

Acts 2015, 84th Leg., R.S., Ch. 628 (S.B. 1339), Sec. 1, eff. September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 1, eff. September 1, 2017.

- Sec. 70.402. LIEN CREATED. (a) An agricultural producer who, under a contract with a contract purchaser, is to receive consideration for selling an agricultural crop grown, produced, or harvested by the producer has a lien against that crop for the amount owed under the contract, or for the market value of the crop on the date of transfer or delivery if there is no agreement concerning the amount owed under the contract.
- (b) An agricultural producer who delivers or transfers an agricultural crop grown, produced, or harvested by the producer to a warehouse has a lien against that agricultural crop for the market value of the agricultural crop:
 - (1) on the date of delivery or transfer; or
- (2) if there is to be a series of deliveries to the warehouse, on the date of the first delivery of the agricultural crop to the warehouse.
- agricultural crop, either in raw or processed form, that has been transferred or delivered by the agricultural producer and is in the possession of the warehouse or the contract purchaser, and if the warehouse or the contract purchaser sells all or part of the crop, on the proceeds of the sale. If an open storage crop is commingled with a company-owned crop by a warehouse or a contract purchaser after the crop has been transferred or delivered, a lien created under this subchapter applies only to that portion of the agricultural crop in the possession of the warehouse or the contract purchaser in an amount that is equal to the amount of the crop transferred or delivered by the agricultural producer.
- (d) For purposes of this subchapter, an agricultural crop or processed form of an agricultural crop deposited by a contract purchaser with a warehouse, whether or not a warehouse receipt is given as security, is considered to be in the possession of the contract purchaser and subject to the lien created by this subchapter.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001. Amended by:

Acts 2015, 84th Leg., R.S., Ch. 628 (S.B. 1339), Sec. 2, eff.

September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 2, eff. September 1, 2017.

Sec. 70.403. WHEN LIEN ATTACHES. A lien created under this subchapter attaches on the date on which physical possession of the agricultural crop is delivered or transferred by the agricultural producer to the warehouse or to the contract purchaser or the purchaser's agent, or if there is to be a series of deliveries, on the date of the first delivery of the agricultural crop.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001. Amended by:

Acts 2015, 84th Leg., R.S., Ch. 628 (S.B. 1339), Sec. 3, eff. September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 3, eff. September 1, 2017.

Sec. 70.404. APPLICABILITY OF OTHER LAW; EFFECT ON OTHER LAW. (a) Except as provided by Section 70.4045 of this code, Chapter 9, Business & Commerce Code, including applicable filing and perfection requirements, applies to a lien created under this subchapter.

- (b) Except as provided by Subsection (c), to the extent of a conflict, this subchapter controls over any other law.
- (c) This subchapter does not abridge the protections afforded by any applicable law, including:
 - (1) Chapter 14, Agriculture Code;
 - (2) Chapter 7, Business & Commerce Code;
- (3) the United States Warehouse Act (7 U.S.C. Section 241 et seq.); or
- (4) common law, including the law of bailment.

 Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001.

 Amended by:

Acts 2015, 84th Leg., R.S., Ch. 628 (S.B. 1339), Sec. 4, eff. September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 4, eff. September 1, 2017.

- Sec. 70.4045. PERFECTION AND PRIORITY OF AGRICULTURAL LIEN ON CROPS. (a) Notwithstanding Chapter 9, Business & Commerce Code, a lien created under this subchapter is perfected at the time the lien attaches under Section 70.403 and continues to be perfected if a financing statement covering the agricultural crop is filed on or before the 90th day after the date:
- (1) the physical possession of the crop is delivered or transferred by the agricultural producer to the warehouse or the contract purchaser or the purchaser's agent, if there is only one delivery; or
- (2) of the last delivery of the crop to the warehouse or the contract purchaser or the purchaser's agent, if there is a series of deliveries.
- (b) If a financing statement covering the agricultural crop is not filed within the time prescribed by Subsection (a)(1) or (2), as applicable, the lien is considered unperfected.
- (c) Notwithstanding Chapter 9, Business & Commerce Code, and except as provided by Subsection (d), a lien created and perfected under this subchapter has priority over a conflicting security interest in or lien on the agricultural crop or the proceeds from the sale of the crop created by the warehouse or the contract purchaser in favor of a third party, regardless of the date the security interest or lien created by the warehouse or the contract purchaser attached. This subsection does not affect:
- (1) the validity or priority of a security interest or lien:
- (A) created and perfected to secure a loan directly to the agricultural producer; or
- (B) created and perfected under Chapter 9, Business & Commerce Code, to secure a loan to a warehouse or a contract purchaser on a company-owned crop in favor of a secured lender;
- (2) the validity or priority of a cotton ginner's lien created under Section 70.003(d); or
- (3) the rights of a holder of a negotiable warehouse receipt.

- (d) Subsection (c) does not apply to a contract purchaser who purchases an agricultural crop from an agricultural producer under a marketing contract created under:
 - (1) Section 52.016, Agriculture Code; or
- (2) regulations adopted by the United States Department of Agriculture under Title 7 of the United States Code. Added by Acts 2015, 84th Leg., R.S., Ch. 628 (S.B. 1339), Sec. 5, eff. September 1, 2015.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 5, eff. September 1, 2017.

Sec. 70.405. DURATION OF LIEN. A lien created under this subchapter expires on the first anniversary of the date of attachment.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001.

Sec. 70.406. EFFECT OF LIEN; RECOVERY. (a) A buyer in ordinary course of business of an agricultural crop, including a person who buys any portion of an agricultural crop from a warehouse or a contract purchaser, whether or not the agricultural crop has been commingled, takes the agricultural crop free of a lien created under this subchapter, and the lien created by this subchapter does not pass to any subsequent claimant of the agricultural crop.

(b) An unequal pro rata recovery between agricultural producers is not prohibited under this subchapter if the inequality results from a lien on accounts receivable.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001. Amended by:

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 6, eff. September 1, 2017.

Sec. 70.407. DISCHARGE OF LIEN. (a) A lien created under this subchapter is discharged when:

- (1) the lienholder receives full payment for the agricultural crop; or
 - (2) payment is tendered by the warehouse or the

contract purchaser, as applicable, and the lienholder, without coercion, defers payment.

(b) If payment for the agricultural crop is received in the form of a negotiable instrument, full payment is received when the negotiable instrument clears all financial institutions.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001. Amended by:

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 7, eff. September 1, 2017.

Sec. 70.408. JOINDER OF ACTIONS. Persons claiming a lien against the same agricultural crop under this subchapter may join in the same action, and if separate actions are commenced, the court may consolidate them.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001.

Sec. 70.409. RECOVERY OF COSTS. An agricultural producer who prevails in an action brought to enforce a lien created under this subchapter is entitled to recover:

- (1) reasonable and necessary attorney's fees and court costs; and
- (2) interest on funds subject to the lien at the judgment interest rate as provided by Chapter 304, Finance Code.

 Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001.

Sec. 70.410. WAIVER OF CERTAIN RIGHTS PROHIBITED. An agricultural producer's agreement with a warehouse or a contract purchaser to waive the producer's right to seek a remedy provided by this subchapter is void.

Added by Acts 2001, 77th Leg., ch. 732, Sec. 1, eff. Sept. 1, 2001. Amended by:

Acts 2017, 85th Leg., R.S., Ch. 887 (H.B. 3063), Sec. 8, eff. September 1, 2017.

SUBCHAPTER F. LIEN RELATED TO DAMAGED FENCE

Sec. 70.501. LANDOWNER'S LIEN. A person who owns real

property in this state that is enclosed by a fence or other structure obviously designed to exclude intruders or to contain livestock or other animals may obtain from a court in this state a judgment entitling the person to a lien against the motor vehicle of a person who damages the landowner's fence with the motor vehicle if the person who damages the landowner's fence:

- (1) owns the motor vehicle; or
- (2) has the consent of the owner of the motor vehicle to drive the vehicle at the time the person damages the landowner's fence.

Added by Acts 2007, 80th Leg., R.S., Ch. 330 (H.B. 2931), Sec. 1, eff. September 1, 2007.

Sec. 70.502. AMOUNT OF LIEN. The amount of a landowner's lien under this subchapter is equal to the lesser of:

- (1) the fair market value of the motor vehicle on the date the landowner's fence is damaged; or
 - (2) the actual cost incurred by the landowner to:
 - (A) repair the fence;
- (B) recapture any livestock or other animals that escaped as a direct result of the damage to the fence; and
- (C) have the vehicle towed from the property and stored.

Added by Acts 2007, 80th Leg., R.S., Ch. 330 (H.B. 2931), Sec. 1, eff. September 1, 2007.

Sec. 70.503. PROPERTY TO WHICH LIEN ATTACHES. A landowner's lien under this chapter attaches only to a motor vehicle that causes damage to a fence as described by Section 70.501.

Added by Acts 2007, 80th Leg., R.S., Ch. 330 (H.B. 2931), Sec. 1, eff. September 1, 2007.

Sec. 70.504. PERFECTING LIEN. A landowner may perfect a lien under this subchapter in the manner provided by Subchapter F, Chapter 501, Transportation Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 330 (H.B. 2931), Sec. 1, eff. September 1, 2007.

Sec. 70.505. EXPIRATION AND DISCHARGE OF LIEN. A lien under this subchapter does not expire and is discharged only when the landowner receives payment of the lien.

Added by Acts 2007, 80th Leg., R.S., Ch. 330 (H.B. 2931), Sec. 1, eff. September 1, 2007.

Sec. 70.506. REMOVAL OF VEHICLE FROM LANDOWNER'S PROPERTY.

A landowner whose fence is damaged by a motor vehicle that is then abandoned on the owner's property, or the landowner's agent, may:

- (1) select a towing service to remove the vehicle from the landowner's property; and
- (2) designate the time at which the towing service may enter the property to remove the vehicle.

Added by Acts 2007, 80th Leg., R.S., Ch. 330 (H.B. 2931), Sec. 1, eff. September 1, 2007.